

SECTION C
DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1. GENERAL

C.1.1. Scope. The Department of Defense through the TRICARE Management Activity (TMA) will continue to offer the nationwide TRICARE Retiree Dental Program (TRDP). The TRDP covers dental services rendered in the 50 United States, the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Commonwealth of the Northern Mariana Islands, and Canada.

C.1.2. Background. The TRDP offers coverage to certain personnel retired from the Uniformed Services, to unremarried surviving spouses, and to certain other eligible dependents as defined in 32 CFR 199.22. Former members of the armed forces who are Medal of Honor recipients and their immediate dependents are also eligible for coverage under the TRDP. Enrollment in the TRDP is voluntary. All premium costs are paid by the beneficiary. Upon initial enrollment, beneficiaries shall be required to make an advance payment equal to two months' premium. Thereafter, the premium shall be deducted monthly from the member's retired pay for all members who are entitled to such pay. If retired pay is not available or sufficient, the premium costs are to be paid by the beneficiary by means of direct payment by or on behalf of the enrollee.

C.2. DEFINITIONS

Definitions are listed at Section J, Attachment 2 to this contract.

C.3. GOVERNMENT-FURNISHED PROPERTY AND SERVICES

C.3.1. In support of the contractor's marketing initiatives, the Government will, no later than upon approval of the contractor's initial marketing materials, furnish a listing in electronic flat file format of the names and addresses of all known retirees for the contractor's use as a list of potential enrollees in the TRICARE Retiree Dental Program. Thereafter, a new listing of all known retirees will be furnished no less frequently than every quarter.

C.3.2. The Government will furnish, in CD-ROM format, the official TRICARE logo which must be incorporated in all marketing materials.

C.4. CONTRACTOR-FURNISHED ITEMS

See reports in Section F to this contract.

C.5. SPECIFIC TASKS

C.5.1. Operation of the TRICARE Retiree Dental Program

C.5.1.1. Benefits. Benefits shall be provided as delineated in Section J, Attachments 4A and 4B to this contract. Any changes/modifications to benefits must be approved in the form of a contract modification issued by the Contracting Officer at the TRICARE Management Activity prior to implementation.

C.5.1.2. Premium Payments. Premium collection activity shall be initiated by the contractor and sent to the government for collection of premiums from those individuals who enroll in the TRDP, who receive retired pay and who receive sufficient funds in their retired pay at the time of collection. The contractor shall collect premiums directly from all enrollees who do not receive retired pay from the Defense Finance and Accounting Service-Cleveland Center (DFAS-Cleveland), from the Coast Guard (USCG), or from the U.S. Public Health Service (PHS), or whose retired pay is insufficient to pay the entire monthly dental premiums. The contractor shall employ its standard business practices for collection of past due premiums.

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C.5.1.3. Type of Enrollment. Enrollments shall be allowed and premiums for each proposed premium region shall be structured on the basis of three possible enrollment options: Single Enrollment (e.g., sponsor only or unremarried surviving spouse only), Two Party Enrollment, and Family Enrollment (three or more).

C.5.1.4. Deductibles. Payments for covered services shall be subject to the application of deductibles as indicated in Section J, Attachments 4A and 4B to this contract. However, in no case shall a family be subject to payment of annual deductible amounts in excess of \$150.00 in the aggregate.

C.5.1.5. Waiting Periods. Under the provisions of Section J, Attachments 4A and 4B to this contract, certain procedures shall be covered only after the completion of the 12 month waiting period.

C.5.1.5.1. Credit for the 12 month benefit waiting period shall be granted to individuals newly covered under enrollments in the TRDP, if their enrollment takes place within four months after the sponsor's retirement from active duty. Procedures otherwise scheduled to become covered after 12 months of continuous enrollment shall be available to these enrollees immediately.

C.5.1.5.2. Credit for the 12 month benefit waiting period shall be applied to surviving family members whose enrollment in the TRDP takes place within four months of the termination of survivors' coverage under the TRICARE Dental Program (TDP).

C.5.1.5.3. Similarly, for surviving family members of service members who died while on active duty and when the family members were not eligible for survivor coverage under the TRICARE Dental Program, waiting periods shall not apply if enrollment is initiated within four months of the active duty sponsor's death.

C.5.1.5.4. For those individuals already enrolled in TRDP at the Enhanced Benefits level at the beginning of this contract, credit for waiting periods shall be granted in an amount no less than the period of Enhanced Benefit enrollment already completed (See Attachment 4A and 4B). The contractor may at their option deem all waiting periods to have been met for these individuals at the commencement of coverage under this contract.

C.5.1.6. Maximum Benefit Payment. With the exception of the diagnostic and preventive services indicated in Section J, Attachments 4A and 4B to this contract, the maximum annual benefit payment is \$1,200.00 of paid allowable charges, per beneficiary per contract year. A separate annual maximum benefit of \$1,000.00 per enrollee shall be allowed for dental accident coverage and the annual deductible shall not apply. In addition, a separate lifetime maximum benefit of \$1,200.00 per enrollee shall apply to orthodontic services and the annual deductible shall not apply. In the case of those individuals who had previously accumulated all or part of the \$1,000.00 orthodontic services lifetime maximum applicable under the predecessor contract, additional coverage of orthodontic services shall be made available up to a lifetime cumulative total of \$1,200.00.

C.5.1.7. Access to Dental Care Providers

C.5.1.7.1. The contractor shall establish and make the TRDP available throughout the 50 United States, the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Commonwealth of the Northern Mariana Islands, and Canada.

C.5.1.7.2. Enrollees shall not be restricted as to their choice of provider. At a minimum, the contractor shall provide dental insurance on an indemnity basis

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to enrollees. There is no requirement for the establishment of a provider network. However, if the contractor chooses to establish or already has a provider network or networks established in any area covered under this contract, the TRDP network must be clearly defined. If a network is utilized, network providers must file all claims for the enrollees' dental care and agree not to balance bill enrollees.C.5.1.7.3. The contractor shall require TRDP network providers to file all claims on behalf of the enrollee, and shall ensure that enrollees using network providers are not balance billed.

C.5.1.8. Provider Standards. Prior to the payment of any claim for dental services, the contractor shall ensure that the provider has complied with the licensure requirements established by the state in which the services were rendered, including Canadian federal and/or provincial requirements, as appropriate, and the laws and regulations pertaining to providers practicing within the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Commonwealth of the Northern Mariana Islands. Claims for services rendered by providers who do not meet applicable licensure requirements shall be denied.

C.5.1.9. Eligibility Verification. The contractor shall exercise due diligence to verify that the individuals who are being enrolled meet the statutory definition of an eligible retiree, Medal of Honor recipient, spouse or dependent per 32 CFR 199.22. The contractor's IT system will have no interconnection with any DoD IT system or network, including the Defense Enrollment Eligibility Reporting System (DEERS) or any similar DoD IT system or application which contain sensitive personal information about eligible participants.

C.5.1.9.1 Sensitive enrollment/eligibility information (i.e., that subject to the Privacy Act) shall be maintained in the contractor's owned and operated IT system during the period of contract performance.

C.5.1.10. Enrollment. The contractor shall offer continuous open enrollment. The contractor shall maintain an enrollment file to reflect new enrollments, continuing enrollments, and disenrollments. Enrollments and changes to enrollment shall be in accordance with the contractor's standard practice. However, to the extent there may be conflict, the TRDP enrollment lock-in and lock-out requirements shall take precedence over the contractor's standard practice (see Section J, Attachment 3, "Operational Policy Direction for the Ongoing Contract", Section 2).

C.5.1.10.1. Conversion of Current TRDP Enrollments. No later than 60 days prior to the start of dental care delivery, the contractor shall contact all current TRDP enrollees by mail, informing them of the contractor's assumption of the new TRDP contract, its effective date, enrollment transition provisions, and new premium amounts. Enrollees shall further be informed that unless they initiate action to disenroll, to change their type of enrollment (single, two-party or family), or, in the case of Basic Program enrollees, to convert their enrollment to the Enhanced Program, their enrollment will be continued at its current level without interruption of coverage. Those enrollees under the predecessor TRDP contract who continue their enrollment under this contract and have not met their initial 24-month enrollment commitment before the start of this contract must complete the lesser of whatever time remains of their initial enrollment commitment or 12 months. (See Section J, Attachment 5)

C.5.1.11. Claims Processing

C.5.1.11.1. The contractor shall process dental care claims to payment or denial in an accurate and timely manner as defined in Section C.5.3.1.

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C.5.1.11.2. For enrollees using non-network providers, the contractor shall pay these claims (minus the appropriate cost-share and/or deductible) at the lesser of: (1) Billed charges or (2) Usual, Customary and Reasonable rates at the 50th percentile for that geographic area as listed in the the most current version available of the Prevailing Health Care Charges System®, from Ingenix Health Intelligence (<http://www.ingenix.com/page.php?iGroup=Payer&iProduct=PHCS>) at the time the claim is adjudicated.

C.5.1.11.3 Out-of Pocket Expenses. To the maximum extent possible, the contractor shall make every effort to minimize the total out-of-pocket expenses to the enrollee.

C.5.1.12. Appeals and Grievances. The contractor shall implement an appeal process that allows for reconsideration of initial denial determinations and denied requests for disenrollment. An Adverse Reconsideration Determination shall provide for further appeal to a Formal Review at TMA, subject to applicable provisions of the TRICARE Regulation at 32 CFR 199.10 and the Managed Care Support Contractor (MCSC) Operations Manual DoD 6010.49-M, Chapter 13 (See <http://www.TRICARE.osd.mil/tricaremanuals/>). Network providers shall not be offered appeal rights to a Formal Review. The contractor shall also implement a grievance system separate and apart from the appeal process. Any TRDP beneficiary, legal guardian or appointed representative who is aggrieved by any failure or perceived failure of the contractor, subcontractor or contracted providers of care to meet the obligations for timely, quality care at appropriate levels may file a grievance.

C.5.1.13. Management

C.5.1.13.1. Compliance with Statutory Requirements. The contractor shall document and employ procedures to assure confidentiality of all beneficiary and provider information. This includes the protection of rights of the individual in accordance with the provisions of the Privacy Act [5 U.S.C. 552(a)]; the Freedom of Information Act (5 U.S.C. 552); the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA) Reorganization Act (42 U.S.C. 290dd-2). The contractor shall also prevent unauthorized use of files. The TRDP contractor must also comply with all applicable requirements of the Health Insurance Portability and Accountability Act (HIPAA).

C.5.1.13.2. Quality Control System. The contractor shall establish and maintain a quality control system designed to ensure all contractual standards are met.

C.5.1.13.3. Management of Contract. The contractor shall establish and maintain effective management strategies, lines of authority, and reporting and coordination interfaces with the Government.

C.5.1.14. Marketing

C.5.1.14.1. Marketing Program. The contractor shall be responsible for marketing the program to all eligible beneficiaries, to include the benefit, premium prices, enrollment procedures, and their freedom to use any authorized dental provider.

C.5.1.14.2. No later than 60 days prior to the start delivery of dental care, the contractor shall commence marketing efforts directed at all eligible beneficiaries.

C.5.1.14.3. The contractor shall use the TRICARE logo on all marketing materials. TRICARE must be spelled in capital letters without hyphenation, in

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all instances, including file names and printed uniform resource locators (URLs).

C.5.1.14.4. Marketing materials shall not create the impression that providers or any other entities affiliated with the contractor are governmental facilities, entities, or employees or that the contractor's programs are operated by the U.S. Government.

C.5.1.14.5. Marketing activities shall not discriminate or have the effect of discriminating, against any beneficiaries on the basis of dental health status, age, race, sex, family size, sponsor rank or method of premium payment.

C.5.1.14.6. Disclaimer. The contractor shall include the following language in any marketing materials produced or developed by the contractor during contract performance, "The development of this [INSERT DESCRIPTION] is supported by Department of Defense Contract No. [INSERT CONTRACT NUMBER]. The TRICARE Retiree Dental Program is administered and underwritten by [INSRT CONTRACTOR NAME]."

C.5.1.15. Contract Transitions. For purposes of transition, the incumbent contractor shall be designated the outgoing contractor and the successor contractor shall be designated the incoming contractor. All transition-related contractor travel costs shall be at the expense of the respective traveling party. The start-up and phase-out of this contract shall be conducted according to the following objectives and the administrative requirements in Section J, Attachment 5 to this contract.

C.5.1.15.1. Contract Phase-In. Within 10 calendar days after the award, the contractor shall submit a comprehensive Phase-In Plan to the Contracting Officer that addresses all the contractor's start-up activities during the period between the contract award and the start of dental care delivery. No later than 30 calendar days prior to the start of dental care delivery, the contractor shall demonstrate to the Contracting Officer at the contractor's location the contractor's readiness to begin performance under this contract.

C.5.1.15.2. Transition Between Contractors. The incoming contractor shall undertake all necessary activities to achieve a smooth and efficient contractor transition with minimal disruption of services to beneficiaries and providers. Within 30 calendar days after award of this contract, the incoming contractor shall participate in a three-day transition meeting to be held in Aurora, Colorado, with the outgoing contractor and TMA as scheduled by the Contracting Officer. The purpose of the meeting is to develop a mutually acceptable transition plan covering all incoming and outgoing contractor transition activities, such as, but not limited to, enrollee and provider notifications; processing of transitional claims, inquiries, and appeals; transitional case management (e.g., orthodontics); and file transfers and updates. The incoming contractor shall incorporate all phase-in tasks of the final transition schedule into its Phase-In Plan.

C.5.1.15.3. Contract Phase-Out. Upon award of a successor contract to this contract, the incumbent contractor shall perform all phase-out activities until all requirements of this contract have been met per Attachment J-5.

C.5.2. Customer Service. The contractor shall operate a customer service program to provide customer support, respond to negative feedback and meet the contractual standards for performance.

C.5.2.1. The contractor shall be staffed to respond to customer inquiries within the contract standards stated below.

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C.5.2.2. Beneficiaries shall be provided with toll free telephone numbers to call for general information, assistance in locating a provider, status of claims, etc.

C.5.2.3. The contractor shall provide a web site that will provide information to beneficiaries including, at a minimum, an explanation of the TRDP benefit and contractor contact information. This information shall include phone numbers, mailing, and email address(es). This web site shall also provide a link to TMA's main TRICARE web site at <http://www.TRICARE.osd.mil>. The web site design and content shall be subject to the same prior approval requirements listed in Section F.5. as all other marketing and public relations materials.

C.5.3. Standards

C.5.3.1 Claims processing standards shall be as follows:

<u>CATEGORY</u>	<u>STANDARD</u>
Process Claim to Completion	≥90% within 14 calendar days ≥98% within 30 calendar days 100% within 60 calendar days
Claim Payment Accuracy	≥97%
Coding Accuracy	≥97%

C.5.3.1.1. For purposes of computing claims processing cycle times, the date of claim receipt and date of completion shall be computed as defined in Section J, Attachment 2, Definitions, to this contract. For purposes of computing claims payment accuracy and coding accuracy, the contractor shall define and adhere to the definitions and methodology to be employed.

C.5.3.2. Telephone response and correspondence processing shall meet the following standards:

<u>CATEGORY</u>	<u>STANDARD</u>
Telephone Answering	≥80% within 30 seconds
Telephone Call Blockage rate	≤20% at all times
Written and E-mail Correspondence	≥85% within 10 calendar days ≥98% within 15 calendar days 100% within 45 calendar days

C.5.3.2.1. For purposes of computing telephone call processing cycle times, the date of completion shall be computed as defined in Section J, Attachment 2, Definitions, to this contract.

C.5.3.2.1.1. Eighty percent (80%) of all calls must be handled by a telephone representative or automated response unit (ARU) within 30 seconds after acknowledgment. During any delay, a message must inform the caller of the temporary delay and give advice about what information is needed to answer questions. Eighty percent (80%) of the calls must be handled to completion during the initial call. A completed call is one in which the caller is given all the information they need to know regarding the situation about which they are inquiring.

C.5.3.2.1.2. For purposes of computing correspondence processing cycle times, the date of receipt and date of completion shall be computed as defined in Section J, Attachment 2, Definitions, to this contract.

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C.6. APPLICABLE STATUTES AND REGULATIONS

1. Law: 10 U.S.C.1076c.
2. Regulation: 32 CFR 199.22 -- See
<http://www.TRICARE.osd.mil/tricaremanuals/>

C.7. TECHNICAL EXHIBITS

See Section J, Attachment 3, Operational Policy Direction for the Ongoing Contract.